

REVENUE – WATER AND SEWER POLICY



Responsible Department: Corporate Services
Responsible Section: Financial Services
Responsible Officer: Financial Services Manager

Objective

To determine the water and sewerage charges for entitlements of existing parcels under the user pays tariff system.

Policy

The introduction by Council of a user pays tariff system for water supply and sewerage in 1995/96 resulted in changes to the way in which entitlements to existing parcels are determined. This policy sets out guidelines for determining service entitlements, headworks credits and application of base charges.

Definitions

For the purpose of this policy, the following definitions apply.

“Service Entitlement”. The right of the owner or occupier of a parcel of land to have a water supply or sewerage service connected, to that parcel, without incurring a headworks charge or a mains extension charge.

“Headworks Credits”. The number of headworks credits (expressed in equivalent tenements) which apply to a parcel of land, when assessing subdivision or other development proposals on the land.

“Base Charged”. Land upon which a base charge is currently levied, or would be levied if it were not for the operation of Council’s Contributions and Donations Policy.

“Base Charge Liable”. Land which is currently subject to the discretionary levying of a base charge by Council, due to its proximity to a water or sewerage main.

“Parcel”. A portion or parcel of land separately valued. (See Local Government Act 1993 Dictionary).

“Lot”. An individual portion, lot, allotment or any area of land for which an individual land title may apply, or an individual reserve or other area of Crown or public land, including a road.

“ET” equivalent treatment. A unit of demand on a water or sewerage scheme equivalent to the demand of an average urban residential lot.

Service Entitlements

- a) A base charged parcel shall have one service entitlement;
- b) A non-base charged parcel shall have no service entitlement.
A non-base charged parcel shall acquire a service entitlement when: -
 - i) Council agrees to service the parcel and;
 - ii) Appropriate headworks charges based on ET's of the proposed service are paid by the applicant and;
 - iii) All actual service provision costs, including main extensions are paid by the applicant and;
 - iv) A base charge is introduced.
- c) Where in Council's view, it is not reasonably practicable to service the whole of a parcel of land from a single service point, Council may allow an additional service subject to: -
 - i) All actual costs of installation of the additional service including additional mains extension if applicable being met by the applicant.
 - ii) Services not being interconnected within the parcel.
 - iii) Base charges and usage charges applying to each service.
- d) Upon application for a service to a base charged parcel which does not currently have a main available, Council will extend the main at Council's cost to the nearest practicable point of the parcel.
- e) Service pipes may cross lot boundaries within a parcel but shall not cross boundaries between parcels.
- f) If a base charged parcel is broken up (e.g. by sale of an individual lot and not by subdivision): -
 - i) Service pipes which, as a result of the breakup, cross parcel boundaries shall be physically disconnected at the parcel boundary at the cost of the occupier of the land which receives the service direct from Council's main.
 - ii) If a new parcel resulting from the breakup of an existing base charged parcel is base charge liable, it shall automatically have a service entitlement, and a base charge shall be levied.
 - iii) If a new parcel resulting from the breakup of an existing base charged parcel is not base charge liable, no service entitlement will apply.

Headworks Credits

- a) A base charged parcel shall have headworks credits equivalent to the number of lots within the parcel, which, if viewed individually, would be base charge liable.
If in future, this appears to be inequitable in a particular case, the matter will be determined by Council on its merits.
- b) A non-base charged parcel shall have no headworks credits.
A non-base charged parcel shall acquire headworks credits when: -
 - i) Council agrees to service the parcel and
 - ii) Appropriate headworks charges based on ET's of a proposed service are paid by the applicant and
 - iii) All actual service provision costs including main extensions are paid by the applicant and,
 - iv) A base charge is introduced.

Application of Base Charges

- a) At the time of the changeover to the user pays tariff system all parcels which were previously rated became base charged.

Base charged parcels included most base charge liable parcels, as it was previously Council's policy to rate those parcels within the prescribed distance of the main. (225m for water, 75m for sewer.)

- b) Base charges are not to be introduced to base charge liable land in future, unless an appropriate headworks charge based on equivalent tenements is paid by an applicant.

This policy applies, for example, to: -

- i) A parcel which is base charge liable, but through oversight was not previously rated
Or
ii) a parcel which has not been rateable or base charged, which becomes base charge liable as a result of a main extension.
- c) When base charges are introduced to a parcel, the base charge shall continue to be levied for as long as the parcel remains base charge liable.

Records of Entitlements and Credits

Appropriate records of service entitlements, headworks credits and levying of base charges shall be maintained in Council's property records system.

References

- *Local Government Act 1993.*

History

MINUTE NUMBER	MEETING DATE	DESCRIPTION OF CHANGE
251/97	15 April 1997	Adopted
230/2010	18 May 2010	Reviewed
26/2012	21 February 2012	Reviewed
75/2013	19 February 2013	Reviewed
164/2017	15 August 2017	Reviewed